

**REMARKS**

Upon entry of this Amendment, claims 1-16 are all the claims pending in the application. Claims 10-16 have been added. Claims 1-9 presently stand rejected under 35 U.S.C. § 102(b) as being anticipated by Cherry (USP 3,702,901). For the reasons set forth below, Applicant respectfully traverses the rejection and requests favorable disposition of the application.

***Argument***

Applicant has amended the claims to further clarify the claimed invention over the prior art. Specifically, the claimed controller includes, *inter alia*, “a control unit for multiplying the signal supplied to the rear or front speaker by the amplifying factor k1 when the input signal supplied to the front or rear speaker is attenuated by the attenuating factor K1 and capable of dealing with a next fade input with attenuations changed by the amplifying factor k1 and the attenuating factor K1 recorded and newly set upon completion of the fade volume computing.” Cherry utilizes analog potentiometers and, thus does not, and can not, meet the requirements of the claims.

For at least the above reason, Applicant respectfully submits that claims 1-9 are patentable over the prior art of record.

***Patentability of New Claims***

For additional claim coverage merited by the scope of the invention, Applicant has added new claims 10-16. Applicant submits that the prior art does not disclose, teach, or otherwise suggest the combination of features contained therein.


AMENDMENT UNDER 37 C.F.R. § 1.111  
U.S. Appln. No. 09/986,695

**Conclusion**

In view of the foregoing remarks, the application is believed to be in form for immediate allowance with claims **1-16**, and such action is hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, he is kindly requested to **contact the undersigned** at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

  
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